

Chair Boyle called the regularly scheduled meeting to order at 10:05 a.m. with Commissioners Boyle, Lowell Johnson, and Landis present and Commissioners Rod Johnson and Vap excused but participating later in the meeting telephonically.

#### GENERAL ADMINISTRATION

Notice was duly published November 18, 2003, on Page 8 of The Daily Record that the regular public meeting of the Commissioners of the Nebraska Public Service Commission would be held November 25, 2003, at 10:00 a.m. in the Commission Hearing Room, 300 The Atrium, 1200 N Street, Lincoln.

Attention was called to the following proceedings:

Tuesday, November 25, 2003:

Commission Hearing Room, Lincoln. Planning Conferences

- B-1557      In the Matter of Hope Transportation, Inc., Omaha, seeking  
Supp. 1      authority as a common carrier of passengers, including HHS  
1:00      clients, by vans between points in Cass, Otoe, Lancaster  
            counties and between points in said counties on the one  
            hand and on the other hand, points in Nebraska over irre-  
            gular routes.
- B-1597      Caring Network, Inc., Omaha, seeking authority as a common  
1:30      carrier of passengers in open class service over irregular  
            routes between points in Douglas, Sarpy, Washington, Cass  
            and Dodge counties by vans. To include the transportation of  
            clients of the Department of Health and Human Services.  
            RESTRICTION: The transportation of railroad train crews and  
            their baggage is not authorized.
- B-1617      Commission Hearing Room, Lincoln. Oral Argument  
3:00      Spencer M. Fentress, dba Fairbury Taxi, Fairbury, seeking to  
            acquire, through transfer, the authority granted to Murvel  
            LeRoy Fentress and Spencer M. Fentress, a partnership, dba  
            Fairbury Taxi, Fairbury, in Certificate B-1499, and to  
            extend its operation between points in Jefferson County and  
            between points in Jefferson County and points in Nebraska  
            over irregular routes. All trips to originate or terminate  
            in Jefferson County. Commissioner Rod Johnson chairing.
- B-1621      Commission Hearing Room, Lincoln. Planning Conference.  
4:00      Phoenix Counseling, Inc., dba Phoenix Transportation Ser-  
            vices, Omaha, seeking authority as a common carrier of  
            passengers in open class service by van between points in  
            Douglas, Cass, Sarpy, and Washington counties over irregular  
            routes. RESTRICTION: The transportation of railroad train  
            crews and their baggage is not authorized. Commissioner Rod  
            Johnson chairing.

GENERAL ADMINISTRATION (Cont.)

Monday, December 1, 2003 through Friday, December 5, 2003:

NG-0001 Commission Hearing Room, Lincoln.  
NG-0002 Aquila, Inc., d/b/a Aquila Networks Aquila), Omaha, seeking  
NG-0003 a general rate increase for Aquila's Rate Area One, Rate  
Area Two and Rate Area Three. Commissioner Landis chair-  
ing.

1:30 Start time on Monday and Tuesday  
9:00 Start time on Wednesday, Thursday, Friday

COMMUNICATIONS DEPARTMENT

Gene Hand introduced Lorrie Shreve as the new Communica-  
tions Department secretary and announced Joan Raffety's promotion to  
lead secretary in the Communications Department.

Gene Hand provided a report on the National Association of  
Regulatory Utility Commissioner's (NARUC) conference held in Atlanta,  
Georgia, from November 15-18, 2003.

Gene Hand advised the Commission that the cutover date for  
the Creston/Columbus Extended Area Service (EAS) would be December 16,  
2003.

Gene Hand distributed a copy of a wireless article pub-  
lished in the Omaha World-Herald on November 22, 2003.

C-3012 In the Matter of the Commission, on its own motion, seeking  
to conduct a critical cost analysis for Aliant Communica-  
tions Co., d/b/a ALLTEL, as a result of the Nebraska Technology &  
Telecommunications, Inc., and ALLTEL arbitration conducted in C-2648:  
An order was proposed to deny Qwest's Motion to Intervene. Motion  
made by Commissioner Frank Landis, seconded by Commissioner Lowell  
Johnson. Motion passed with Commissioners Anne Boyle, Lowell Johnson,  
Frank Landis voting AYE and Commissioners Rod Johnson and Jerry Vap  
Absent Not Voting.

C-3025 In the Matter of the Commission, on its own motion, seeking  
to conduct a 90-day proceeding as contemplated by the  
Federal Communications Commission in its Triennial Review order adopt-  
ing new rules for network unbundling obligations: Gene Hand informed  
the Commission that a Hearing Officer's order was issued on  
November 24, 2003, granting the Motions Pro Hac Vice of AT&T.

COMMUNICATIONS DEPARTMENT (Cont.)

C-3026        In the Matter of the Commission, on its own motion, seeking to conduct a 9-month proceeding as contemplated by the Federal Communications Commission in its Triennial Review order adopting new rules for network unbundling obligations: Gene Hand advised the Commission that a Hearing Officer's order was entered on November 24, 2003, granting the Motions Pro Hac Vice of AT&T and MCI. An order was proposed to enter a protective order and to get authorization to propound discovery. Motion made by Commissioner Lowell Johnson, seconded by Commissioner Frank Landis. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Frank Landis voting AYE and Commissioners Rod Johnson and Jerry Vap Absent Not Voting.

C-3028        In the Matter of NebCom, a wholly owned subsidiary of Northeast Nebraska Telephone Company and Northeast Nebraska Telephone Company, Jackson, seeking to transfer authority granted to NebCom, Inc., in Application C-1446 to Northeast Nebraska Telephone Company: An order was proposed to grant the application. Motion made by Commissioner Lowell Johnson, seconded by Commissioner Frank Landis. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Frank Landis voting AYE and Commissioners Rod Johnson and Jerry Vap Absent Not Voting.

C-3031        In the Matter of WWC License, LLC, a subsidiary of Western Wireless, d/b/a CellularOne, Issaquah, Washington, seeking approval of its advertising plan for Measured Usage Universal Service offerings in the state of Nebraska: An order was entered setting brief deadlines and an oral argument. An Oral Argument was scheduled for December 10, 2003, at 2:00 p.m. in the Commission Hearing Room, Lincoln. Motion made by Commissioner Frank Landis, seconded by Commissioner Lowell Johnson. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Frank Landis voting AYE and Commissioners Rod Johnson and Jerry Vap Absent Not Voting.

C-3032        In the Matter of CenturyTel Fiber Company II, LLC, Chesterfield, Missouri, seeking authority to adopt "LightCore, a CenturyTel Company," as a trade name: An order was entered to grant the application. Motion made by Commissioner Lowell Johnson, seconded by Commissioner Frank Landis. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Frank Landis voting AYE and Commissioners Rod Johnson and Jerry Vap Absent Not Voting.

C-3034        In the Matter of UtiliCorp Communications, Lenexa, Kansas, seeking to withdraw authority granted to provide telecommunications services as a competitive local exchange carrier and intrastate interexchange carrier in the state of Nebraska in Application C-2338: An order was entered to grant the application. Motion made by Commissioner Frank Landis, seconded by Commissioner Lowell Johnson. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Frank Landis voting AYE and Commissioners Rod Johnson and Jerry Vap Absent Not Voting.

COMMUNICATIONS DEPARTMENT (Cont.)

C-3035 In the Matter of XO Long Distance Services, Inc., Reston, Virginia, seeking authority to expand its telecommunications authority in Nebraska to include competitive resold and facilities-based local exchange services and to change its corporate name to XO Network Services, Inc.: An order was entered to grant the application. Motion made by Commissioner Lowell Johnson, seconded by Commissioner Frank Landis. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Frank Landis voting AYE and Commissioners Rod Johnson and Jerry Vap Absent Not Voting.

C-3036 In the Matter of WorldCom, Inc., Denver, Colorado, seeking authority to change its name to MCI, Inc.: An order was entered to grant the application. Motion made by Commissioner Lowell Johnson, seconded by Commissioner Frank Landis. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Frank Landis voting AYE and Commissioners Rod Johnson and Jerry Vap Absent Not Voting.

C-3045 In the Matter of the Petition of Clarks Telecommunications Co., Consolidated Telco, Inc. Consolidated Telecom, Inc., Consolidated Telephone Company, Hartington Telecommunications Co., Inc., Hershey Cooperative Telephone Co., K & M Telephone Co., Nebraska Central Telephone Co., Northeast Nebraska Telephone Co., NebCom, Inc., Stanton Telecom, Inc., and Three River Telco (Collectively the "RLEC Group Companies") seeking arbitration to resolve issues relating to interconnection agreements with WWC License L.L.C.: Gene Hand informed the Commission that a response of WWC License, L.L.C. to the Petition for Arbitration of the RLEC Group Companies was received on November 18, 2003.

Engineering Division

E-2024 In the Matter of Nebraska Public Power District, Columbus, seeking authority to construct, operate and maintain electric transmission lines in York County: An order was entered to grant the application. Motion made by Commissioner Lowell Johnson, seconded by Commissioner Frank Landis. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Frank Landis voting AYE and Commissioners Rod Johnson and Jerry Vap Absent Not Voting.

Gene Hand advised the Commission that notification had been received from AT&T advising of their intention to withdraw interstate AT&T MultiQuest 900 Service for two Nebraska customers effective December 31, 2003.

UNIVERSAL SERVICE FUND

NUSF-25      In the Matter of the Commission, on its own motion, seeking  
PO #10      to establish guidelines for the purpose of certifying the  
            use of federal universal service support: An order was  
entered seeking comments due no later than January 23, 2003. Motion  
made by Commissioner Lowell Johnson, seconded by Commissioner Frank  
Landis. Motion passed with Commissioners Anne Boyle, Lowell Johnson,  
Frank Landis voting AYE and Commissioners Rod Johnson and Jerry Vap  
Absent Not Voting.

NUSF-26      In the Matter of the Commission, on its own motion, seeking  
            to establish a long-term universal service funding mechan-  
ism: A Protection Order was entered. Motion made by Commissioner  
Frank Landis, seconded by Commissioner Lowell Johnson. Motion passed  
with Commissioners Anne Boyle, Lowell Johnson, Frank Landis voting  
AYE, and Commissioners Rod Johnson and Jerry Vap Absent Not Voting.

NUSF-37.4    In the Matter of Jeffrey L. Pursley, Director, Nebraska  
            Universal Service Fund Department, Nebraska Public Service  
Commission, Complainant, vs. Charter FiberLink: An order was entered  
dismissing the complaint. Motion made by Commissioner Lowell Johnson,  
seconded by Commissioner Frank Landis. Motion passed with Commis-  
sioners Anne Boyle, Lowell Johnson, Frank Landis voting AYE and Com-  
missioners Rod Johnson and Jerry Vap Absent Not Voting.

NUSF-37.5    In the Matter of Jeffrey L. Pursley, Director, Nebraska  
            Universal Service Fund Department of the Nebraska Public  
Service Commission, Complainant, vs. Matrix Telecom: An order was  
entered dismissing the complaint. Motion passed with Commissioners  
Anne Boyle, Lowell Johnson, Frank Landis voting AYE and Commissioners  
Rod Johnson and Jerry Vap Absent Not Voting.

NUSF-37.6    In the Matter of Jeffrey L. Pursley, Director, Nebraska  
            Universal Service Fund Department, Nebraska Public Service  
Commission, Complainant, vs. AmeriVision Communications: An order was  
entered dismissing complaint. Motion passed with Commissioners Anne  
Boyle, Lowell Johnson, Frank Landis voting AYE and Commissioners Rod  
Johnson and Jerry Vap Absent Not Voting.

            Jeff Pursley reported on Late-Filed Carrier Remittances.  
The Commission approved the recommendation that a complaint be filed  
against Transcommunications, Inc. and the proposed late fee be levied  
against Cable & Wireless.

            Jeff Pursley discussed a letter that had been forwarded  
from the department to residents of the Somers Point Apartments in  
Fremont regarding the fact that this facility does not meet the  
Federal Public Housing Program's criteria and, therefore, are no  
longer eligible for the Nebraska Telephone Assistance Program (NTAP).

NATURAL GAS AND WATER DEPARTMENT

NG-0001 In the Matter of Aquila, Inc., d/b/a Aquila Networks  
NG-0002 (Aquila), Omaha, seeking a general rate increase for  
NG-0003 Aquila's Rate Area One, Rate Area Two and Rate Area Three.  
Upon agreement of all Commissioners present, an assessment  
order was entered for NG-0001, NG-0002, NG-0003/GDS-003.

NG-0009 In the Matter of Cornerstone Energy, Omaha, seeking author-  
ity for a Competitive Natural Gas Provider Certificate in  
the state of Nebraska: Upon agreement of all Commissioners present,  
orders were entered to grant a protective order and grant the appli-  
cation.

In the Matter of the Governor's Policy Research Office and  
Lauren L. Hill, in her official capacity as Director of the Governor's  
Policy Research Office, State of Nebraska v. KN Energy, a Division of  
Kinder Morgan, before the District Court of Lancaster County Nebraska  
(Case Nos. CI00-4589 & CI02-326): Upon agreement of all Commissioners  
present, a resolution was approved requesting that Nebraska Attorney  
General Jon Bruning pursue collection in this matter on behalf of the  
Public Service Commission.

NG-0012 In the Matter of the Public Alliance for Community Energy  
(ACE), Lincoln, seeking authority for a Competitive Natural  
Gas Provider Certificate in the state of Nebraska: A hearing was set  
for a date later to be determined. Commissioner Vap will preside as  
Hearing Officer.

LEGISLATIVE REPORT

Upon agreement of all Commissioners present, authorization  
was granted to move forward on a proposal to clean up the appeals  
statute regarding motions for reconsideration.

Upon agreement of all Commissioners present, authorization  
was granted to clarify the Grain Warehouse Act to prevent lending in-  
stitutions from taking action attempting to pre-empt the Commission's  
ability to determine rights of storers of grain in warehouses.

GRAIN WAREHOUSE DEPARTMENT

The following shortages were discussed:

GW-1110 Soybeans at Pickrell Co-operative Elevator Association,  
Pickrell  
GW-2093 Soybeans at Sherman, Inc. dba Sherman Feed & Supply, Auburn  
GW-2141 Corn at Pender Grain, Inc., Pender

GRAIN WAREHOUSE DEPARTMENT (Cont.)

GW-19        In the Matter of Basso, McClure & Goeglein, LLP, Lincoln, seeking a measure-up of grain in the facilities of J. E. Meuret Grain Co., Inc., Brunswick and O'Neill: Upon agreement of all Commissioners present, the request was granted with necessary fees to be paid by applicant.

Grain Dealer Division

The following applicants were granted a Grain Dealer License, subject to the fulfillment of all statutory requirements, for the license period ending December 31, 2003:

		<u>SECURITY</u>
GD-22	Ag Valley Cooperative, Non-Stock, Edison	\$183,000
GD-405	Farmers Cooperative, Pilger	35,000
GD-666	Crossroads Cooperative Association	265,000
GD-823	Sutton Cooperative Grain Company, Sutton	35,000
GD-1107	Farmers Cooperative Association of McCool Junction	75,000
GD-1119	Trotter, Incorporated dba Trotter Grain and Fertilizer Company, Arcadia	35,000
GD-1946	Dixon Elevator Co., Dixon	35,000
GD-2093	Sherman, Inc. dba Sherman Feed & Supply, Auburn	35,000
GD-2107	Mathiesen Grain Company, Blair	35,000
GD-2155	Bauman Livestock Feed & Supply, Inc., Martell	35,000

GD-2647        In the Matter of Allied Mutual Insurance Company, seeking cancellation of its Continuous Grain Dealer Bond No. 7900567788 in the amount of \$35,000.00, issued on behalf of Fischer Feed & Supply, Inc., Hartington, NE: Application was granted effective November 11, 2003.

GW-2008        In the Matter of Richland Grain, Richland: John Fecht reported that the PSC had received \$12,108.01 as its share of the court settlement.

HOUSING DEPARTMENT

Mark Luttich informed the Commission that two separate informal opinions had been requested from the Attorney General's Office with regards to modular housing unit regulation as it relates to homes destined for Indian reservations and homes composed of individual site-assembled panels.

Mark Luttich updated the Commission on a consumer complaint regarding a manufactured home built in Kansas requiring substantial correction/repair of air handling ducting. The home is now repaired to the consumer's satisfaction. The case will be forwarded to HUD for possible recall action on other sold homes that may have the same construction non-compliance.

HOUSING DEPARTMENT (Cont.)

Mark Luttich informed the Commission that he is still attempting to obtain New Mexico's approval of our modular housing unit inspections for shipment of homes to that state.

TRANSPORTATION DEPARTMENT

B-1548 In the Matter of Omaha Limousine Co., LLC, Omaha, seeking to approve the transfer of a fraction of the limited liability company membership interest from Mark W. Mitchell and Michael R. Williams to Linus Humpal: Upon agreement of all Commissioners present, the transfer was approved.

B-1617 In the Matter of Spencer M. Fentress, dba Fairbury Taxi, Fairbury, seeking to acquire, through transfer, the authority granted to Murvel LeRoy Fentress and Spencer M. Fentress, a partnership, dba Fairbury Taxi, in Certificate B-1499 and to extend its authority to between points in Jefferson County and points in Nebraska. All trips to originate or terminate in Jefferson County: An oral argument was scheduled for November 25, 2003, at 3:00 p.m. in the Commission Hearing Room, Lincoln. Commissioner Rod Johnson will preside as Hearing Officer.

M-14171 In the Matter of Albert McClain, dba Al's Hauling & Moving Co., Omaha: Upon agreement of all Commissioners present, an Order to Show Cause was entered. A hearing was set for January 6, 2004, at 1:30 p.m. in the Commission Hearing Room, Lincoln. Commissioner Boyle chairing.

Rate Division

MR-1016 In the Matter of National Motor Freight Traffic Association, Inc., Alexandria, Virginia, agent for and on behalf of participating carriers, seeking authority to place in effect on Nebraska intrastate traffic the provisions of Supplement 9 to the National Motor Freight Classification, NMF 100-AC: Upon agreement of all Commissioners present, the application was granted.

MR-930 In the Matter of Movers and Warehouse Division, Nebraska Motor Carriers Association, Lincoln, seeking authority to establish a fuel surcharge in Nebraska Official Household Goods Tariff 7-E: The fuel surcharge was retained at 20 cents per mile and the taxi surcharge at 25 cents per trip.

GENERAL ADMINISTRATION

The Commission recessed at 11:22 a.m. and reconvened at 11:26 a.m. with Commissioners Boyle, Lowell Johnson and Landis present and Commissioners Rod Johnson and Vap excused.

Commissioner Jerry Vap joined the meeting telephonically.



GENERAL ADMINISTRATION (Cont.)

Commissioner Landis moved that the Commission go into closed session to discuss personnel matters and Commissioner Lowell Johnson seconded the motion. Upon agreement of all Commissioners, the Commission went into closed session at 11:26 a.m.

Commissioner Landis moved that the Commission return to open session and Commissioner Lowell Johnson seconded the motion. Upon agreement of all Commissioners present, the Commission returned to open session at 11:45 a.m.

Upon agreement of all Commissioners present, authorization was granted to open the position to be vacated by John Schmidt upon his retirement.

Upon agreement of all Commissioners present, a probationary salary adjustment was made for a Communications Department employee effective December 1, 2003.

Upon agreement of all Commissioners present, the resignation of Miles Halcomb was accepted effective November 20, 2003.

Upon agreement of all Commissioners present, authorization was granted to contract with outside legal counsel for assistance with transportation proceedings.

The Commission approved the following invoices:

DAS-IMServices	\$ 351.35
DAS-Materiel-Postage	487.30
DAS-Materiel-Printing	299.58
DAS-TSB	602.37
HHS Finance & Support	616.40
Ted Burkey	1,535.00
Ted Burkey	3,000.00
The Daily Record	474.00
Executive Travel	398.50
Larry Fauss	775.00
Kelly Services Inc.	695.63
NARUC	495.00
NARUC	495.00
NARUC	495.00
Nebraska State Bar Association	320.00
Nebraska State Bar Association	320.00
Maurice Gene Hand	752.89
Maurice Gene Hand	555.50
Chris Post	1,007.40
Andy Pollock	400.00
Jeff Pursley	895.16
Lowell Johnson	300.96
Rod Johnson	413.54
Frank Landis	18.72

GENERAL ADMINISTRATION (Cont.)

Upon agreement of all Commissioners present, authorization was granted for Robert Bowman to travel to Clay Center, Kansas, on November 25, 2003, to perform a modular housing unit factory inspection of Wardcraft Homes.

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The meeting adjourned at 11:50 a.m. with Commissioners Boyle, Lowell Johnson, and Landis present in the Commission Hearing Room, Lincoln, Commissioner Vap participating telephonically and Commissioner Rod Johnson excused. The next regularly scheduled meeting will be held on December 2, 2003, at 10:00 a.m. with an agenda to be available in the office of the Executive Director at 10:00 a.m. on December 1, 2003.

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Chair

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Executive Director